

FILED

STATE OF NORTH CAROLINA IN THE GENERAL COURT OF JUSTICE  
WAKE COUNTY SUPERIOR COURT DIVISION  
NO. 13 CVS 7209

STATE OF NORTH CAROLINA ex rel. )  
ROY COOPER, Attorney General, )  
Plaintiff, )  
vs. )  
EAST COAST TRAVEL, INC., ERIN E. )  
BUCKLEY, BETH E. COCHRAN, )  
MILLENNIUM TRAVEL AND PROMOTIONS, )  
INC., KAREN E. ARMAND, TONY J. ARMAND, )  
HENRY J. ARMAND, ADRIAN D. MILLER, )  
A-2-Z VACATIONS, LLC, SMART TRAVEL & )  
INCENTIVES, INC., and JULIE A. JOHNSON )  
Defendants. )

CONSENT JUDGMENT AS TO  
JULIE A. JOHNSON AND  
SMART TRAVEL &  
INCENTIVES, INC.

This cause coming on to be heard and being heard before the undersigned Superior Court Judge in Wake County for entry of a Consent Judgment at the joint request of Plaintiff State of North Carolina, by and through Attorney General Roy Cooper, and Defendants Julie A. Johnson and Smart Travel & Incentives, Inc. ("Smart Travel"), the Court, with the consent of Plaintiff and Defendants Johnson and Smart Travel makes the following:

#### FINDINGS OF FACT

1. Plaintiff is the State of North Carolina, acting on the relation of Roy Cooper, Attorney General, pursuant to authority granted in Chapters 75 and 114 of the General Statutes of North Carolina.
2. Defendant Julie A. Johnson is a resident of Florida and is president of Defendant Smart Travel. Defendant Johnson managed and controlled the operations of Defendant Smart

Travel in connection with the sale of travel certificates given as premiums to consumers who attended sales presentations in North Carolina where Defendant East Coast Travel, Inc. ("ECT") marketed vacation club memberships for Defendant A-2-Z Vacations, LLC ("A-2-Z").

3. Defendant Smart Travel is a Florida corporation that sold travel certificates given as premiums to consumers who attended sales presentations in North Carolina where Defendant ECT marketed vacation club memberships for Defendant A-2-Z.

4. Plaintiff alleges in its Complaint filed in this action that:

(a) Defendants Smart Travel and Julie Johnson sold travel certificates that Defendants ECT and A-2-Z used to entice consumers to attend sales presentations for vacation club memberships;

(b) some consumers who received the travel certificates thought they were receiving a free trip, but found the trip was neither free nor easy to redeem; and

(c) Defendants Johnson and Smart Travel's alleged actions in connection with the practices set out in the Complaint were in or affecting commerce in North Carolina.

5. Defendants Johnson and Smart Travel deny the allegations of wrongdoing Plaintiff asserts in Paragraph 4 and as stated within Plaintiff's Complaint and make no admission of liability but wish to resolve this matter without further litigation and, therefore, do not object to the entry of this Consent Judgment.

#### CONCLUSIONS OF LAW

1. The court has jurisdiction over the parties and the subject matter.
2. Entry of this Judgment is just and proper.
3. The Complaint states a cause of action against Defendants Johnson and Smart Travel pursuant to N.C.G.S. § 75-1.1, and the Court finds good and sufficient cause to adopt the

agreement of the parties and these findings of fact and conclusions of law as its determination of their respective rights and obligations and for the entry of this Consent Judgment.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

1. For purposes of this Consent Judgment the terms "clearly and conspicuously" shall refer to a statement that, regardless of the medium in which it is made, is readily understandable and presented in such size, color, contrast, duration, location, and audibility, as compared to the other information with which it is presented, that it is readily apparent to the person to whom it is disclosed. A Clear and Conspicuous statement may not contradict or be inconsistent with any other information with which it is presented. A disclosure is not clear and conspicuous if, among other things, it is ambiguous or it is obscured by the background against which it appears, or by its location within a lengthy disclosure of non-material information. If a statement modifies, explains, or clarifies other information with which it is presented, it must be presented in close proximity to the information it modifies and in a manner that is readily apparent and understandable.

2. Defendants Smart Travel and Johnson shall include, in a clear and conspicuous manner, the following language in all of their marketing materials: "THE TRAVEL PROVIDED THROUGH THIS OFFER IS NOT FREE, AND LIMITATIONS ON TRAVEL AVAILABILITY EXIST."

3. Defendant Johnson shall include in all of her contracts with entities purchasing or mailing out notices of Defendant Smart Travel's vouchers as premiums to secure attendance at a sales presentation in North Carolina that any materials used in connection with the vouchers shall clearly and conspicuously state in at least twelve point type and in all capital letters the following statement: "THE TRAVEL PROVIDED THROUGH THIS OFFER IS NOT FREE, AND

LIMITATIONS ON TRAVEL AVAILABILITY EXIST.”

4. Defendants Smart Travel and Johnson shall not make any false or deceptive representations in their marketing materials, including but not limited to any false or deceptive representations regarding the cost of any trips or the process for redeeming a travel certificate.

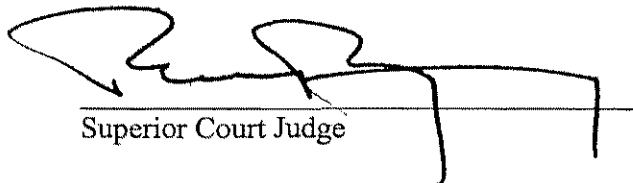
5. Upon the entry of this Consent Judgment, Defendants Johnson and Smart Travel shall pay \$10,000 to the North Carolina Department of Justice. These funds shall be used by the North Carolina Attorney General’s office for consumer protection purposes, including but not limited to, defraying the costs of the investigation leading to this settlement and consumer education, at the discretion of the Attorney General and in accordance with the laws of North Carolina.

6. This Consent Judgment shall not affect the rights of any private party to pursue any remedy or remedies allowed pursuant to the laws of the State of North Carolina.

7. This Consent Judgment shall not bind any other offices, boards, commissions, or agencies of the State of North Carolina.

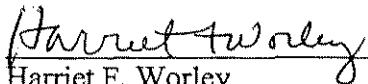
8. This Consent Judgment fully and completely satisfies all claims of the North Carolina Department of Justice in connection with the above-captioned action and the Defendants Smart Travel and Julie A. Johnson are released of all claims that were brought in the above-captioned action as of the date that said action was filed by the Plaintiff – to wit, May 23, 2013.

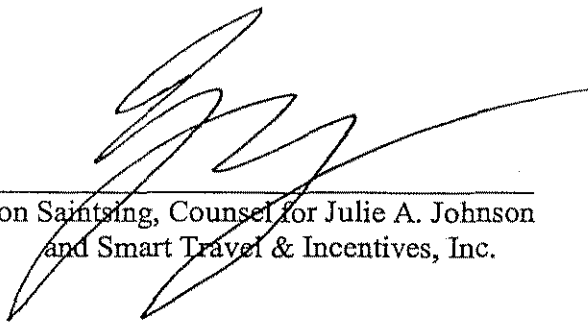
This the 19<sup>th</sup> day of October, 2015.

  
Superior Court Judge

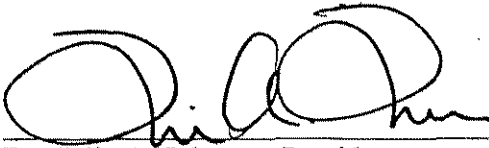
WE CONSENT:


STATE OF NORTH CAROLINA  
ex rel. ROY COOPER,  
Attorney General

  
Harriet F. Worley  
Special Deputy Attorney General

  
Byron Saintsing, Counsel for Julie A. Johnson  
and Smart Travel & Incentives, Inc.

Smart Travel & Incentives, Inc.

  
By: Julie A. Johnson, President

  
Julie A. Johnson


**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the Consent Judgments as to Julie A. Johnson and Smart Travel & Incentives, Inc. was served on this day on counsel of record by depositing a copy of the same in the U.S. Mail, first class postage prepaid and addressed as follows:

Byron Saintsing, Esq.  
**Smith Debnam Narron Drake Saintsing & Myers, LLP**  
4601 Six Forks Road, Suite 400  
Raleigh, NC 27609  
*Counsel for Julie A. Johnson and Smart Travel and Incentives, Inc.*

This the 23<sup>rd</sup> day of October, 2015.

ROY COOPER  
Attorney General

  
\_\_\_\_\_  
Harriet Worley  
Special Deputy Attorney General